



# PUBLIC NOTICE

**Federal Communications Commission**  
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**DA 22-530**

**Released: May 13, 2022**

**AUTHORIZATION OF ATLINK SERVICES, LLC TO RECEIVE CONNECT  
AMERICA FUND (CAF) PHASE II AUCTION SUPPORT TRANSFERRED  
FROM CHEROKEE TELEPHONE COMPANY PURSUANT TO A COMMISSION  
APPROVED TRANSACTION**

**WC Docket No. 10-90**

On January 27, 2022, the Commission approved the transfer of domestic section 214 authorizations between AtLink Services, LLC (AtLink) and Cherokee Telephone Company (Cherokee) (together, the Parties) in relation to the exchange of Connect America Fund (CAF) Phase II auction support and obligations associated with 249 census blocks in Oklahoma.<sup>1</sup> Consistent with this approval, the Wireline Competition Bureau, in coordination with the Rural Broadband Auctions Task Force, modifies the support and associated defined deployment obligations of AtLink and authorizes it to receive all remaining CAF Phase II auction support initially awarded to Cherokee, as described in more detail below.

On May 14, 2020, Cherokee was authorized to receive \$594,975 in CAF Phase II support to deploy supported services over 10 years to 1,166 high-cost locations in 249 census blocks in Oklahoma.<sup>2</sup> On August 11, 2020, Cherokee and AtLink filed an application, pursuant to section 214 of the Communications Act of 1934, as amended, and sections 63.03-04 of the Commission's rules, for approval of a transaction by which AtLink would assume all of the Cherokee's CAF Phase II auction obligations and acquire the corresponding support for the associated 249 blocks (Assigned Census Blocks).<sup>3</sup> On January 27, 2022, the Commission approved the transaction, which was consummated on April 26, 2022.<sup>4</sup>

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<sup>1</sup> Domestic 214 Application Granted for the Transfer of Certain Authorizations of Cherokee Telephone Company to AtLink Services, LLC, WC Docket No. 21-423, DA 22-90 (WCB 2022) (Transfer Public Notice).

<sup>2</sup> See Connect America Fund Phase II Auction Support Authorized for 77 Winning Bids, AU Docket No. 17-182, WC Docket No. 10-90, Public Notice, 35 FCC Rcd 4869, 4875, Attach. A (Authorized Long Form Applicants and Winning Bids) (WCB/RBATF 2020).

<sup>3</sup> See Domestic Section 214 Application of Cherokee Telephone Company, Assignor, and AtLink Services, LLC, Assignee, for Consent for the Assignment of Certain Assets of Cherokee Telephone Company to AtLink Services, LLC Pursuant to Section 214 of the Communications Act of 1934, as Amended, WC Docket No. 21-423 (filed Oct. 27, 2021), <https://ecfsapi.fcc.gov/file/102742244794/AtLink%20Services%20Transfer%20Application.pdf> (Application) at Exhibit 1. On November 15, 2021, Applicants filed a supplement to the Application. Letter from Stephen E. Coran, Counsel for Applicants, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 21-423 (Nov. 15, 2021) (Supplement).

<sup>4</sup> Transfer Public Notice, DA 22-90; Letter to Marlene K. Dortch from Stephen E. Coran, Counsel for AtLink Services, LLC, WC Docket No. 21-423 (Apr. 27, 2022) (notifying Commission of the consummation of this transaction).

As a condition of this authorization, AtLink assumes responsibility for complying with universal service fund requirements and Commission rules, regardless of any preexisting or reasonably foreseeable conditions on the ground in the Assigned Census Blocks that could negatively impact AtLink's ability to meet these obligations in the future. Indeed, any carrier seeking authorization to receive high cost support pursuant to a section 214 transfer must conduct the proper due diligence prior to consummation of the transaction, and, in doing so, must assume all risk and consequences of noncompliance with CAF Phase II auction requirements, including default penalties.<sup>5</sup> Accordingly, AtLink must meet all administrative, performance, and CAF Phase II auction deployment obligations and deadlines associated with the Assigned Census Blocks, including deployment of voice and broadband service meeting minimum standards to 40% of locations by the end of 2022, 60% of all locations by the end of 2023, 80% by the end of 2024, and 100% by 2025.<sup>6</sup>

AtLink successfully completed the CAF Phase II auction application processes in 2019 and was authorized to receive \$4,762,674 to serve 12,491 locations in 1,938 different census blocks in Oklahoma.<sup>7</sup> As indicated in the Transfer Public Notice, AtLink will retain its current CAF Phase II auction obligations in addition to assuming Cherokee's obligations in the Assigned Census Blocks.<sup>8</sup> In addition, AtLink states that because it is ahead of its required deployment obligations in its existing blocks, it can take advantage of economies of scale to serve the Assigned Census Blocks and will not incur additional debt obligations or otherwise substantially increase its costs.<sup>9</sup> AtLink has also committed to meeting all CAF Phase II auction performance and deployment requirements, attested to having necessary managerial and operational expertise to meet buildout and performance obligations, and has committed to remaining financially and technically capable of fulfilling the obligations required as a condition of receiving such support.<sup>10</sup>

We recognize that AtLink has obtained a Letter of Credit securing the adjusted support amounts resulting from the transaction and has met all other prerequisites to its authorization for receiving support in the Assigned Census Blocks, including expansion of its preexisting ETC designation to cover the Assigned Census Blocks. We thus authorize AtLink to receive the support associated with the Assigned Census Blocks. We direct USAC to disburse from the Universal Service Fund the revised CAF Phase II auction support amounts that have not already been disbursed to Cherokee as of the release of this public

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<sup>5</sup> See *Connect America Fund et al.*, WC Docket No. 10-90 et al., Order on Reconsideration, 33 FCC Rcd 1380, 1390, para. 25 (2018) ("emphasiz[ing] that applicants are required to conduct the necessary due diligence prior to submitting their short-form applications, including identifying locations they will serve within the eligible areas, so that they can certify that they will be able to meet the relevant public interest obligations when they submit their applications."); see also *id.* at 5966, para. 47 (acknowledging that the risk of noncompliance is a factor in the bidding process but emphasizing that recipients of support awarded through a competitive bidding process generally have control over project areas and size and bid amounts).

<sup>6</sup> 47 CFR § 54.316(b)(4); *Connect America Fund et al.*, Report and Order and Further Notice of Proposed Rulemaking, 31 FCC Rcd 5949, 6011, para. 174 (2016). We have provided a summary of the various obligations of authorized CAF Phase II auction support recipients in prior authorization public notices, including the authorization of AtLink. See *Connect America Fund Phase II Auction Support Authorized for 2,413 Winning Bids*, AU Docket No. 17-182, WC Docket No. 10-90, Public Notice, 34 FCC Rcd 5966 (WCB/RBATF 2019) (AtLink Authorization Public Notice). As stated therein, the list is not intended to be comprehensive and all authorized parties are still responsible for conducting the due diligence required to comply with universal service fund requirements and the Commission's rules. See *id.*

<sup>7</sup> *Connect America Fund Phase II Auction Support Authorized for 2,413 Winning Bids*, AU Docket No. 17-182, WC Docket No. 10-90, Public Notice, 34 FCC Rcd 5966 at Attach. A (WCB/RBATF 2019) (AtLink Authorization Public Notice).

<sup>8</sup> See Transfer Public Notice at 3.

<sup>9</sup> See *id.*

<sup>10</sup> See *id.*

notice. Such support will continue to be paid in monthly installments to the account on file for the 498 ID associated with AtLink's SAC 439077.

For further information, please contact Nissa Laughner, Telecommunications Access Policy Division, Wireline Competition Bureau at 202-418-7400 or at TTY (202) 418-0484.

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